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### Economic Conditions

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is a big factor in this improvement in foreign business activity. Agricultural exports from this country have continued to decrease in recent years, however, mainly because of trade barriers in many countries and short crops in this country. Increased industrial activity in foreign countries has resulted in an increase in exports of nonagricultural products from the United States and thus has contributed to improved domestic demand conditions. In addition, improved demand for raw materials abroad has helped lift world prices and therefore American prices, even though our exports have not increased.

#### FARM INCOME: Increase in February

Though farmers decreased their marketings of farm products in February as compared with February 1936, they received more money for these products than they did a year ago. Marketings of wheat, potatoes, cotton, and other crops were reduced because of the severe drought during the crop season of 1936. Prices of these crops, however, were much higher than they were a year earlier. Income from livestock and livestock products was only slightly greater than in February a year ago. Farmers also received 53 million dollars of Government payments in February of this year as against none in February 1936. Here are the figures:

	Income from farm market- ings	Government payments	Total
February 1937-----	\$504, 000, 000	\$53, 000, 000	\$557, 000, 000
February 1936-----	449, 000, 000	-----	449, 000, 000
January 1937-----	638, 000, 000	43, 000, 000	681, 000, 000
January 1936-----	550, 000, 000	1, 000, 000	551, 000, 000

#### Prices of Farm Products

Estimates of average prices received by producers at local farm markets based on reports to the Bureau of Agricultural Economics. Average of reports covering the United States weighted according to relative importance of district and States.

Product	March average, 1910-14	March 1936	February 1937	March 1937	Parity price, March 1937
Cotton, lb.-----cents--	12. 4	10. 9	12. 4	13. 5	16. 6
Corn, bu.-----do-----	61. 3	56. 4	103. 6	105. 4	86. 0
Wheat, bu.-----do-----	88. 9	89. 5	124. 9	123. 2	118. 5
Hay, ton.-----dollars--	12. 06	7. 45	11. 84	11. 98	15. 91
Potatoes, bu.-----cents--	67. 5	72. 1	130. 2	131. 3	92. 2
Oats, bu.-----do-----	40. 3	26. 7	53. 7	52. 5	53. 5
Soybeans, bu.-----cents--	( <sup>1</sup> )	77. 6	149. 7	151. 9	-----
Beef cattle, cwt.-----dollars--	5. 29	6. 12	6. 48	6. 76	6. 98
Hogs, cwt.-----do-----	7. 41	9. 17	9. 19	9. 17	9. 67
Chickens, lb.-----cents--	11. 4	16. 6	13. 6	14. 4	15. 3
Eggs, doz.-----do-----	19. 6	17. 5	20. 1	19. 9	<sup>2</sup> 21. 4
Butter, lb.-----do-----	25. 6	28. 7	30. 2	30. 6	<sup>2</sup> 34. 5
Butterfat, lb.-----do-----	27. 1	31. 7	33. 9	34. 9	<sup>2</sup> 36. 5
Wool, lb.-----do-----	18. 7	26. 5	31. 6	31. 7	23. 6
Veal calves, cwt.-----dollars--	6. 92	7. 55	8. 21	8. 04	9. 04
Lambs, cwt.-----do-----	6. 22	8. 10	8. 12	8. 83	7. 87
Horses, each.-----do-----	138. 40	98. 20	99. 40	101. 50	183. 00

<sup>1</sup> Prices not available.

<sup>2</sup> Adjusted for seasonality.



**WHEAT: Large Crop in Prospect—with Good Weather**

Given a year of favorable crop conditions, American wheat farmers this summer will harvest the largest crop in at least 6 years. Condition of the winter wheat crop will be reported by the Crop Reporting Board April 9, when the extent of abandonment of last fall's record seedings of 57 million acres will be shown. In December it appeared probable that winter wheat production might be 600 million bushels. The Board's report on intentions to plant indicated a spring wheat harvested acreage of 21 million acres. Average yields would make a crop of 260 million bushels of spring wheat. Adding 600 million bushels of winter wheat indicated in December would make a total wheat crop of 860 million bushels, but this does not allow for possible changes in winter wheat condition. The average wheat crop, 1923 to 1932: 864 million.

A crop of this size would cause the United States to become an exporter of wheat and would put United States prices on an export basis. During recent years United States crops have been so short that wheat has not been exported and domestic prices have averaged unusually high in relation to world prices. The return of United States prices to a world basis, however, would not necessarily mean lower prices to American wheat farmers for the 1937 crop than were received for the 1936 crop, unless world production should be larger than average.

Since world stocks of old crop wheat are extremely short, world prices are expected to continue at high levels during the next year, even if world production should be average. Should another small world wheat crop be harvested, world prices might average higher in the next year than they were for the 1936 world crop.

**COTTON: Rapid Price Rise**

Spot cotton prices rose rapidly from late February to late March, moving up from an average of 12.90 cents at 10 markets in February to 13.57 cents in the week ended March 6 and 14.42 cents in the week ended March 20. At 14.42 cotton prices were the highest for any week since the first week of June 1930. Basis for the rise was record-breaking mill activity in the United States coupled with extremely rapid utilization of raw cotton in foreign countries—particularly England, Japan, and China.

Requests for the release of close to a million bales of the 3 million cotton bales held by the Government had been received by March 18. This indicates that the supply of "free" cotton (not held by the Government) at the end of the marketing season (Aug. 1) may be larger than the small supply of a year earlier and larger than average stocks during the late 1920's. But, with the exception of last year, the supply will probably be smaller than in any recent year.

**TOBACCO: Increase in Acreage Probable**

Tobacco growers reported to the Bureau of Agricultural Economics on March 1 that they intended to increase the total acreage of tobacco this year by 15 percent over the acreage harvested last year. Stocks of most types are low.

**Flue-cured.**—Growers plan to increase acreage 10 percent. Stocks at beginning of harvest will about equal those of last year. Prospective increase in crop will probably be offset by increased demand. But

yields as large as in 1935 would bring lower prices. Prices averaged about 22 cents for 1936 crop.

**Burley.**—Increase of 31 percent in prospective harvested acreage seems large because of last year's small harvested acreage. Many growers did not plant as much land to burley last year as they intended because of unfavorable weather at planting time. Stocks very low. With average yields this year, total supply would not exceed last year's. Prices are expected to stay fairly high but probably not as high as those paid this year.

**Maryland.**—Small increase in acreage in prospect. Stocks at beginning of harvest will be about the same as they were a year earlier. Demand prospects only moderately favorable.

**Fire-cured.**—Domestic demand for these types, used mostly in snuff, will probably increase some in next marketing season. Foreign outlook not so good. Prospective acreage increase (9 percent) is expected to result in lower prices if yields are average.

**Dark air-cured.**—Growers plan 30 percent increase in acreage. With average yields, production would about equal consumption of these types during the past marketing year. Stocks low. Prices probably will average about as high as for the 1936 crop.

**Cigar tobaccos.**—Acreage probably will increase this year by 11 percent (filler class, 10 percent; binder class, 15; wrapper class, 7). Consumption has been greater than production in recent years. Average yields on prospective acreage will still result in production less than anticipated consumption. Outlook for prices for all three classes appears favorable.

#### FRUITS: Prices Moving Up

Prices of all fruits except strawberries are expected to rise more than usual during the spring months. Strawberry growers in the early-producing sections probably will have one-fifth more berries on the market this spring than they did a year ago. This will probably result in lower prices than were received a year earlier, even though demand has improved since then. Supplies of oranges for the spring months are below average. The supply of Florida grapefruit available for market during the spring is but little larger than a year ago.

Looking farther ahead, orange and lemon supplies for the summer and early fall are likely to be very short, because of the freeze damage in California. Strawberry acreage in the second early and intermediate States is expected to be about the same as last year. In the late States the acreage for harvest probably will be greater than a year ago.

#### POTATOES: Larger Acreage

Potato growers plan to harvest 6 percent more acres in 1937 than they did in 1936. If they harvested average yields on this prospective acreage, they would produce a crop of around 365 million bushels, compared with a crop of 330 million bushels in 1936.

Increases are expected to be much larger in the early States, than in the intermediate and late States. Growers' intentions as reported by crop reporters indicate an increase of one-third in the early areas.

The larger crop which probably will be harvested in the early States as compared with last year is likely to be partly offset by smaller supplies of old potatoes. Prices of old potatoes declined in February and early March, as a result of heavy marketings, but prices of new potatoes rose.



**TRUCK CROPS: Larger Acreage This Year**

Truck crop growers probably will plant a somewhat larger combined acreage of truck crops this year than they did a year earlier. The largest increases probably will be for cabbage and watermelons. Onion acreage is expected to show the greatest decline. Lower prices are in prospect for the next few months as market supplies increase.

The acreage of vegetables for canning also is likely to show some increase this year and prices paid to growers probably will be slightly higher than they were a year earlier. Stocks of canned vegetables at the beginning of the next canning season are expected to be smaller than they were at the beginning of the previous season.

**SWEETPOTATOES: Smaller Acreage**

Commercial sweetpotato producers are planning to increase their acreage for harvest in 1937 over their 1936 acreage, but South Central growers who use the crop mostly for home consumption, plan to decrease their acreage. For the whole country, a small decrease is indicated. With average yields, however, the 1937 crop would be larger than the 1936 crop.

**DRY BEANS: Increased Plantings**

Growers of dry edible beans are planning to increase their acreage for harvest this year by 11 percent. But with average growing conditions the crop would be only slightly larger than in 1936 when yields were above average.

**PEANUTS: Record Acreage Expected**

The largest peanut acreage on record (exclusive of peanuts grown with other crops) is expected this year if growers increase their acreage by 2 percent as indicated by crop reporters. Average yields would make a crop slightly smaller than the large crops of 1935 and 1936 when yields were unusually large. Increased demand for peanuts for crushing has resulted in higher prices to growers in the last 3 years. Prospects are for continued strong demand from crushers for the 1937 crop.

**RICE: Stocks Reduced**

Stocks of rice have been greatly reduced during the past fall and winter. Increased domestic use and larger shipments to insular possessions of southern rice and increased feeding of California rice were the chief factors. At the beginning of the new harvest, stocks will be slightly larger than they were a year ago but not particularly burdensome. Rice acreage will increase 2 percent in the Southern States this year, according to growers' intentions, and will increase 5 percent in California. Prospects for utilization do not justify an increase in acreage over that of 1936.

**SOYBEANS: Increased Acreage Planned**

Farmers are receiving good prices for soybeans. Production was reduced in 1936 and prices of both oil and meal are high. During the next 2 or 3 months prices will be supported by a strong demand for seed which will probably offset the effect of a possible decline in meal prices.

Farmers plan an increase of 12 percent in the acreage of soybeans grown alone in 1937 over the acreage harvested in 1936. Such an acreage, with average yields, would probably furnish from thirty-four to forty-four million bushels of beans. It cannot be told now just how much of the total acreage will be harvested for beans. But since most of the increase in acreage is in the Corn Belt where the bulk of the bean crop is produced, it is probable that this increase will be reflected in bean production. About 30 million bushels were harvested in 1936 and about 44 million in 1935, the record year.

A crop of about the size indicated would bring lower prices to growers next year, even if soybean oil prices stayed high, since meal prices would probably decline. More than half the value of the products of the soybean is represented in the value of the meal.

#### FEED GRAINS: Smaller Acreage This Year

Farmers' reports to the Bureau of Agricultural Economics indicate that the total acreage planted to feed grains this year will be smaller than that planted last year. With average growing conditions, however, the indicated acreage for harvest will exceed that of 1936. Considerable feed grain acreage was abandoned in 1936 because of drought.

Feed grain supplies are now only about half as large as usual for this season, and the carry-over at the beginning of the new harvest will be much smaller than usual. If farmers harvest average yields on the prospective acreage, however, their total supplies of feed grains per grain-consuming animal unit will be as large as average for the next feeding season.

*Corn.*—Prices have been high in relation to livestock prices during the current feeding season. If crop conditions are good this summer, prices will go down by more than the usual amount. Some weakness in corn prices is likely when green forage becomes available this spring, but declines will be small until late summer.

*Oats and barley.*—Oats prices will probably decline about as usual this summer, if growing conditions are favorable. Barley prices may drop more than usual. Oats prices have been low compared with corn since last fall, while barley prices have been relatively high. Considerable feeding of these small grains—and even wheat—is likely prior to corn harvest, if crops are large.

#### Index Numbers of Prices Paid by Farmers for Feed

[1910-14=100]

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1936.....	94	94	94	93	95	94	114	134	136	132	133	137
1937.....	142	145	---	---	---	---	---	---	---	---	---	---

#### CATTLE: Prices Going Up

There are two big factors in the cattle situation. The first is the improvement in the buying power of consumers and the second is the decreasing supply of grain-fed cattle. The shortage and high prices of feeds resulted in a marked decrease in cattle feeding the past winter, just as it did 2 years earlier. So, though fed cattle prices usually decline during the first half of the year, they are expected to continue to rise this year. Prices of the lower grades of cattle usually rise from January to June, and are expected to do so this year.



The number and proportion of the better grades of cattle have begun to taper off as was expected. But total cattle supplies continue surprisingly large in view of the reduction in cattle numbers in 1934, 1935, and 1936. The number of calves marketed in the first 2 months of the year was exceptionally large.

Farmers received higher prices for the better grades of cattle in February and early March than they did in January but lower prices for Medium and Plain grades and for calves.

#### HOGS: Steady Prices

The hog situation hasn't changed much in the past month. Farmers continued to market heavily during February and early March, much as they did following the drought of 1934. Storage holdings continued to increase; on March 1 lard holdings were the largest on record for that date and pork holdings were two-thirds greater than on March 1, 1936. Prices moved up and down within a narrow range from late January to the middle of March.

It appears now that the price decline which normally occurs from late April to midsummer may be very small—or may not happen at all. Consumer demand conditions are improving and that will help support prices. In addition, farmers have sold off so many hogs in recent months that marketings may not increase as much as usual during that period. Some farmers may hold back fall pigs for finishing on new small grain and further curtail spring and early summer supplies.

Market supplies and prices after June will depend somewhat on the condition of the corn crop. Assuming average weather, farmers will probably hold back a lot of sows which would ordinarily be marketed in the summer. Prices will probably average above last summer's.

#### SHEEP: Early Spring Lamb Crop Short

For farmers who will have early spring lambs on the market between now and July it is good news that the crop this year was about 10 per cent smaller than last year's. California and Arizona lambs will be from 2 weeks to a month late. Virginia, Kentucky, and Tennessee shipments will also be somewhat delayed. Texas has had good weather, however, and both early lambs and grass-fat yearlings from that State will be plentiful.

Prices of new crop lambs will probably be higher in late April and May than they were a year earlier. A year ago prices for these lambs averaged about \$11.85 at Chicago.

Prices of both slaughter lambs and ewes advanced during February and early March. Farmers marketed fewer lambs in February and early March than in that period a year ago. Consumer demand for lamb continues strong. Prices of fed lambs will probably be well maintained in April and early May.

#### WOOL: High Prices

Prices of wool are expected to be maintained around present high levels during the first 3 or 4 months of the marketing season which begins around the first of April. Wool prices weakened slightly in February, but supplies both in the United States and abroad are small and demand is strong.

Production of shorn wool in this country is expected to be about the same in 1937 as it was last year. A slight increase in sheep numbers

during the last year has been offset by unfavorable range conditions in the Western States, where more than two-thirds of the Nation's wool is produced.

#### POULTRY: Smaller Hatch This Spring

The cost of feeding chickens has been so high in relation to the price of eggs that many poultrymen are cutting down their hatchings this year. A marked decrease in the number of chicks hatched by commercial hatcheries has been in evidence since the first of the year. A reduction of around 7 to 10 percent in the total hatch this spring as compared with 1936 is in prospect.

This lighter hatch means that the present large storage holdings of poultry will probably be moved more easily and that the seasonal decline in poultry prices after May is likely to be smaller than usual. It also means that egg marketings next fall and winter will be smaller than they were a year earlier and that prices will be higher if consumer demand does not drop off sharply.

The usual winter decline in egg prices seems to have run its course. Prices will probably fluctuate around present levels during the spring months.

#### DAIRY PRODUCTS: Low Milk Production

Total milk production on March 1 was about the same as on that date a year earlier and a little greater than on March 1, 1935, according to estimates made by crop reporters. With the exception of 1935, however, production was the lowest for any March 1 since 1929.

Production will continue light through the remainder of the feeding period, but will probably be larger than a year earlier during the summer, if pastures and crops are normal. If crop conditions are average in 1937, feed costs will drop compared with prices of dairy products.

There are fewer milk cows on farms than there were a year ago and increases will probably be small during the next 2 years.

With production relatively low and demand conditions improving, butter prices have not made the usual seasonal decline since the first of the year. Cheese prices have also held about the December level.

### RECENT AGRICULTURAL PUBLICATIONS

#### FEBRUARY 1937

##### Farmers' Bulletins

- 1054F., rev. The Locoweed Disease.
- 1209F., rev. Planting and Care of Street Trees.
- 1253F., rev. Seed Peas for the Canner.
- 1396F., rev. The Dasheen: A Southern Root Crop for Home Use and Market.
- 1539F., rev. High-Grade Alfalfa Hay: Methods of Producing, Balancing, and Loading for Market.
- 1594F., rev. Preparation of Bunched Beets, Carrots, and Turnips for Market.

##### Leaflets

- 121L. The Sweetpotato Weevil and How to Control It.
- 123L. The Farmer's Share of the Consumer's Food Dollar.

These publications may be obtained by writing to the Office of Information, United States Department of Agriculture, Washington, D. C.



## WORKMEN'S COMPENSATION ACTS AND AGRICULTURAL LABORERS

Workmen's compensation insurance is based upon the principle that injury to employees is an insurable risk.

The National Safety Council has more than once stated that agriculture is one of the most hazardous of occupations, and has estimated that in a single year there were among agricultural workers almost 5,000 fatal accidents, and that 85,000 men received injuries involving loss of time from work. Farmers seem to be more exposed to occupational hazards than do many other workers because of long hours, physical weariness, the variety of work, and increased use of machinery.

In spite of these facts some State laws treat agriculture as a non-hazardous occupation. Most persons consider it comparatively safe. Data concerning the matter are hard to obtain.

On January 1, 1937, only two States in the Union, Arkansas and Mississippi, had failed to pass laws dealing with workmen's compensation.

Concerning the other 46 States and the District of Columbia the situation appears to be as outlined here:

The laws of 14 States and the District of Columbia specifically exclude agricultural workers from their benefits. Those States are Alabama, Delaware, Florida, Iowa, Maryland, Missouri, North Carolina, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, West Virginia, and Wisconsin.

The laws of New Hampshire, Washington, and Wyoming exclude farm workers from benefits of their workmen's compensation laws by failing to list them among the workers covered.

Some States require workers engaged in certain extra hazardous farm tasks to be insured under their workmen's compensation acts. In Arizona, farm labor using machinery must be insured. In Ohio such insurance is compulsory as to all employments excepting those having less than three employees. In South Dakota and Kentucky, such insurance is compulsory as to threshing grain, also in Kentucky for hulling grains and seeds.

Workmen's compensation insurance for agricultural workers is elective in California, Michigan, and New Jersey.

In most of the remaining States, farmers may voluntarily take out workmen's compensation insurance under their State laws. These States are Arizona, Colorado, Connecticut, Georgia, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Minnesota, Montana, Nebraska, Nevada, New Mexico, New York, North Dakota, Ohio, Oregon, Rhode Island, South Dakota, Utah, Vermont, and Virginia. There are a few exceptions. In Kentucky, such voluntary insurance applies to agricultural workers other than those threshing grains; in Ohio, to employers of less than three, and in South Dakota, to employers of other than threshing labor.

Available partial information concerning workmen's compensation insurance in about 50 other nations indicates that three out of five of those nations have such laws relating to agriculture. In a quarter of them coverage seems to be complete. In another quarter, coverage applies only to employees using machinery. Other nations have coverage limited in various ways.

So far as comprehensive coverage is concerned, the United States as a whole has lagged behind other nations in providing workmen's



compensation insurance for agricultural laborers. The present growth of demand for an application of social insurance in this country indicates that workmen's compensation insurance may be extended to agricultural laborers within a few years.

JOSIAH C. FOLSOM.

## FARM SECURITY<sup>1</sup>

### I—INTRODUCTION

The closer in point of time one is to a period, the less certain he is that any summary judgment is the correct one. And of course, when one attempts to characterize a period that is just beginning he is, to no small degree, engaging in prophecy. He is so close to events that he often cannot correctly see the "shape of things to come." When time has erased many happenings of a period, leaving only the enduring accomplishments, those things that seemed most significant at the time have often faded into insignificance.

The period that is just passing and which seems to be gradually evolving into a new period in agricultural affairs has been marked by a struggle to achieve an improved situation for those engaged in farming as compared with the situation of those engaged in other occupations. Soon after the World War the slogan of the farm groups was a "fair share of the national income." It was pointed out that farmers as a group were receiving a smaller and smaller proportion of the total national income and that ways and means must be found to restore the balance that existed earlier in our history. It was hoped that price improvement would bring about the desired condition, hence attempts to secure farm product price advances by means of tariff increases, McNary-Haugen legislation, and the Federal Farm Board. During the latter part of the period "price parity" was the watchword. This was the standard guiding the activities of those administering the original Agricultural Adjustment Act. Later the price parity concept was changed to "income parity"—another expression of the determination to achieve a more desirable balance between agricultural and nonagricultural enterprises. In recent years there has been much progress made toward the goal of better relative prices and incomes for farmers. The situation has not yet improved to a point where it can be said that farmers are on a basis of economic equality with other groups. But it is nearer that point than it has been for years. It is possible that the momentum of improvement will continue so that economic balance between agricultural and nonagricultural groups will be reached.

There is no guarantee, however, that the improvement once gained can be maintained. It is possible that future events will result in a relative retrogression. Therefore, it is probable that the central thought of our agricultural policy will soon shift from the objective of achieving relative economic improvement to one of maintaining such improvement. The nature of this shift may be summed up in the expression "Farm security."

Farmers have been living through a long period during which they have been most insecure. Violent price fluctuations, land speculation, deflation, depression have exacted their toll of foreclosures, dispossessions, farm bankruptcies. Experiences of the past 15 years

<sup>1</sup> This is the first of a series on Farm Security.

could not fail to have had an adverse effect upon the confidence in the future of thousands of American farmers. As they emerge from a period which gave such disastrous experiences, their thoughts, hopes, and desires will be so to shape their social and economic affairs that there will not be a recurrence of the dismal history of the twenties and early thirties.

It would appear, therefore, that the efforts of farmers will be directed toward consolidation of gains made in recent years and following through on those things which promise a greater degree of security for themselves and their children than has been possible in the past. They will want first of all a higher degree of price and income stability than in the past and will doubtless strive for establishment of ways and means whereby such stability may be secured. They will want plans worked out whereby a continually larger proportion of farm operators will be, or have the opportunity of becoming, farm owners. They will want plans perfected that will prevent speculative fluctuation of land prices. They will want ways and means whereby the physical risks in agricultural production may be reduced or by means of soundly conceived insurance spread over large numbers engaged in the industry. They will seek ways and means whereby through cooperative effort they may prevent or reduce wastage of their physical resources by preventing or reducing losses from floods, drought, erosion, or loss of fertility, and thus pass on to their successors their lands in as good or better condition than when they received them.

As it is to the interest of society that the national agricultural resources be not dissipated, society should expect to assist agriculture in maintaining resources, and should insist on such maintenance. Not infrequently maintenance of resources, although valuable to the public over a long period, is contrary to the interests of the individual operating over a relatively short period. Farmers and the general public must compose their differences in this respect, otherwise neither farmers nor the general public may achieve the degree of security that both deem a desirable objective.

A. G. BLACK.

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### FOOD PRICES AND RECOVERY

Food prices came down with average earnings of industrial workers during the recession of 1929-33 and have risen with the increase in earnings during the recovery period of the past 4 years. At present, employed persons in the cities can, on the average, buy the same quantity of food that they bought in 1929 for 19 percent less money and the nonfood items in their budget for 15 percent less. Their average earnings are about 11 percent less. In other words, the average earnings of employed industrial workers now have a food-purchasing power 10 percent greater than in 1929 and the balance of their earnings can buy 8 percent more of industrial goods and services than in 1929.<sup>1</sup>

These generalizations apply to a group of workers in manufacturing, mining, trade, transportation, and service industries totaling over 16 million compared with nearly 19 million in these industries in 1929 and 12 million at the bottom of the depression. In addition to the 16 million employed in these industries for whom we have official records

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<sup>1</sup> The data contained in this statement are taken from a report on Food Prices, Earnings of Industrial Workers and Recovery, submitted to the Secretary of Agriculture, April 1937, and which is available in mimeographed form on request.



of monthly pay rolls and employment, there were employed in other industries probably about 15 million persons who on the average fare even better at present in their ability to exchange their earnings for food and nonfood items. There is, however, another group of persons, perhaps about 9 million including those on relief, unemployed, and employed on Government projects, for which no adequate data as to earnings and living costs are available. But it is certain that their standard of living is on the average unusually low.

The relation of food and other living costs to earnings may be clearly shown by taking 1929 as a starting point. Compared with 100 in 1929, food prices fell to 57 percent in February 1933 and have risen to 81 percent in 1937. Nonfood items of living costs fell to 83 in February 1933 and have risen to 85 in February 1937. Compared with the average earnings of the 18 million in 1929, the average earnings of the 12 million employed fell to 70 percent in February 1933 and are now 89 percent.

The average yearly rate of earnings in February 1929 was \$1,395; in February 1933, \$976; and in February 1937, \$1,236. Ordinarily, about one-third of the average factory worker's budget goes for food. This would mean that about \$465 was spent for food in 1929. At prices prevailing at the bottom of the depression, the same annual amount of food cost \$267 and at February 1937 prices, \$376. Thus, the depression reduced the food bill by nearly \$200, and recovery has raised it by \$109. The balance of earnings available for nonfood items fell from an annual rate of \$930 in February 1929 to \$709 in February 1933 and \$860 in February 1937. The depression reduced the amount of money available for the nonfood items by about \$220 and recovery has raised it by \$151. This is on the assumption that one-third of the 1929 earnings was spent for food and that the 1929 quantity was purchased in 1933 and 1937.

It is clear from these figures that while food prices have fluctuated with industrial wage earnings, they are at present relatively lower than the average of other living costs and also relatively lower than average earnings per employed worker. The increase in food prices has helped to restore the farmer's purchasing power for city goods. Recovery has been accompanied by an increase in food costs of \$142 and an increase in earnings available for industrial goods and services after food purchases of \$218. This greater increase in the amount of purchasing power for nonfood items in living costs shows up as an important factor in the sharp recovery in industrial production between February 1933 and February 1937.

L. H. BEAN.

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#### MECHANIZATION REDUCES LABOR IN GROWING WHEAT

In recent years farmers in Ford County, Kans., have grown and harvested an acre of wheat with only about 25 percent as much man labor as was being used at the close of the World War. The actual figures according to surveys made by the Bureau of Agricultural Economics in 1919 and again in 1933 were about 9 hours per acre in the first year and 2.3 hours in the latter year.<sup>1</sup>

<sup>1</sup> Represents labor used directly on the wheat crop in preparing the seed bed, seeding, harvesting, hauling the crop to the local elevator, and for servicing the machinery in the field. The hours do not include labor used for general maintenance of the farm, care of horses in the barn, and general repair of machinery.

Because of the severe drought in 1933, the harvesting figures reported for the crop of that year have been adjusted to represent requirements for harvesting a yield of wheat similar to that obtained in 1919, which was about 13 bushels per acre.



This tremendous reduction has come about as a result of mechanization in which the combination harvester-thresher, the tractor, motortruck, and larger units of tillage equipment have almost completely displaced the use of horses and the smaller sizes of farm equipment. The example cited is fairly typical of changes that have taken place in many sections of the drier portions of the Great Plains wheat-producing area. Labor reductions in the eastern part of the Great Plains have been much less during the 14-year period.

On the farms surveyed in 1919, combines and trucks were not used and tractors were used very little in the production of wheat; but in 1933 each farm surveyed had at least one tractor and one combine, and about two-thirds had trucks. The change not only reduced the number of hours of man labor used in producing an acre of wheat, but also resulted in a decrease in horse work from 16.3 hours per acre in 1919 to only 0.2 of an hour in 1933. The reduced use of horses was offset by the use of 1.4 hours of tractor work, and 0.4 of an hour of truck work per acre.

Although the major part of this reduction was made in harvesting the crop, the hours of labor used to prepare the seed bed and drill the wheat have been practically cut in two or, according to the records, decreased from 2.4 to 1.3 man hours per acre. In these operations horse work has decreased from 9 hours to less than 0.2 of an hour per acre, but the use of tractors has increased from practically nothing to slightly more than 1 hour per acre.

Even in 1919 farmers in Ford County, Kans., were using methods that required little labor in preparing the land and in seeding the wheat. At that time only about one-fourth of the land was plowed, about one-third was listed, and a part of the remaining 40 percent was seeded with disk drills with no previous preparation of the land, and a part was seeded in the same manner after the land had been gone over with a disk harrow. By 1933, the amount of plowing had increased to about 65 percent of the acreage seeded. As in the former year, about one-third of the land was listed.

Labor reductions through the use of larger equipment and units of power are quite noticeable. Thus, in 1919 most of the plowing was done with a two-bottom moldboard plow drawn by four to six horses which covered about 5 acres a day. In 1933, the three- or four-bottom tractor-drawn moldboard plow covered about 12 or 16 acres per day. The tractor-drawn vertical-disk plow which came into use since 1919, covered about 30 acres per day. This implement was generally used in working land that was summer-fallowed, a rather common practice in 1933 but not in 1919. Listing in 1919 was usually done with four or six horses at the rate of about 8 or 15 acres a day, but in 1933 two- or three-row listers drawn with tractors covered 20 or 30 acres in a day's work. Working down ridges made in listing is now done at the rate of about 35 acres a day, whereas in 1919 the rate of work was from 10 to 15 acres per day. The acreage disked in a day has been practically doubled, and that harrowed has been increased from two to three times.

In 1919 drilling was usually done with 8- to 12-foot disk drills drawn by four or six horses, at an average rate of about 15 to 20 acres per day, whereas in 1933 a common practice was to use two drills of 12 feet in width in combination with a tractor, at an average rate of about 60 acres per day.

In 1933, a conservative average day's work for the area, in harvesting with the combined-harvester-thresher, was 30 acres per day. The bulk grain was hauled by truck directly from the combine to the local elevator. Three men, one tractor, and one motortruck were required to perform these operations with a total of about 1 man-hour, 0.33 of a tractor-hour, and 0.36 of a truck-hour per acre. Fourteen years earlier about 6.5 hours of man labor and 7.3 hours of horse work were required to harvest and deliver the grain to the local shipping point. At that time combines were not in use in the area. About one-third of the wheat was cut with the binder and about two-thirds was cut with the header. The bound grain was threshed from the shock, and the headed grain was stacked and threshed with the stationary threshing machine. A part of the grain was hauled directly from the threshing machine to the local shipping point but considerable quantities were hauled to the granaries on the farm and later on delivered to the local elevator.

The farms surveyed in 1933 were considerably larger than the farms studied in 1919, but their organization with respect to crops grown and livestock kept was very similar. The displacement of horses by tractors and motortrucks from about 11 head per farm to less than 2 head per farm was perhaps responsible for some increase in the proportion of the land devoted to the production of wheat, and a decrease in the proportion of the land devoted to feed crops. In general the farms in 1933 were devoted primarily to the production of wheat as they were in 1919. In 1933 nearly 90 percent of the crop land of the farms surveyed was seeded to wheat, whereas in 1919 slightly more than 80 percent was seeded to wheat.

MARTIN R. COOPER.

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#### THE PROBLEM OF REHABILITATION AFTER THE FLOOD

In the Ohio and Mississippi Valleys there exists one of the most extensive pictures of devastation and property damage ever seen in this country. According to ranking Red Cross officials this flood is, in terms of property damage, the greatest disaster in our history.

That thousand-mile picture of houses, barns, buildings, feedstuffs, furniture, equipment, and bridges washed away, wrecked, strewn about; of villages and towns piled about in a tangle of muddy wreckage; of thousands of people living in refugee camps; of the slowly beginning trek of families back into the area, is a picture that will not fail to stir any observer to the enormity of the disaster and of the relief problem.

The crisis is over. The newspaper headlines and radio appeals are a thing of the past. Now the people are at grips with the drab, slow, infinitely laborious job of rehabilitation. The planting season is at hand. The problem of rehabilitation so far as the farmers are concerned has an urgency that scarcely can be overemphasized.

Estimates made in early February included 66,000 farm families in 10 States suffering flood damage. The water reached a stage of 79.99 feet at Cincinnati and 57.1 feet at Louisville. This water rose so much higher than any in previous experience that people could not cope with it. It did no good to put furniture upstairs and farm tools up in the hay mows or other high spots, for in many areas the muddy water rose to the roofs. The houses and possessions of thousands of families were completely destroyed.



My observation covering the flood area is that the damage to land is a relatively small item. I saw a few areas—the largest about a thousand acres—covered with sand deposit so deep as to be probably ruinous. In the main, however, the tillable land is unhurt. There is a universal deposit of silt which may do more good than harm. There is comparatively little evidence of washing. The fields are mostly quite free from debris which tended to lodge in the woods or go down the river, so that this item of clean-up is not so large as might be expected.

By far the largest items of damage are in buildings, furniture, and feed. Thousands of houses, barns, and out-buildings were washed away or wrecked. Even the house which is still on its foundations but stood in muddy water nearly to the roof for more than 2 weeks is a sorry sight, with plaster off, floors and walls buckled, and joists, studs, and even sills often warped almost beyond repair.

The next largest items of damage were livestock, fences and equipment. For the most part, work stock and cattle were saved. These were turned loose and made their way or were driven to the hills. A good many hogs and chickens were lost and there are, of course, areas where the total livestock damage is a large item. For example, in Jefferson County, Ky., 7,000 head of livestock were reported drowned.

Hay in the mows, and corn in the cribs were almost universally a total loss. Fall-sown wheat is not a total loss. Many of the wheat fields show green and will make some grain.

Almost as soon as the flood struck, the pressing farm problem which arose was to feed the livestock marooned on knolls and hills without protection in winter weather. This job was immediately taken in hand by the Red Cross and Resettlement Administration, and for 3 weeks stock was fed by boat and much of the feed hauled from long distances. This problem of feeding the livestock had an emergency character comparable with that of feeding the people. In the last 2 weeks rapid progress has been made in identifying livestock and moving it back to the farms of the owners.

Farmers now are making every effort to get back to their farms in the flood area. The land is fairly well dried out, and where houses are not yet dry, all sorts of makeshifts are being employed so that families can stay on or near their farms and farm work can be gotten under way. In Arkansas and Tennessee the Red Cross has set up large numbers of tents where tenant houses were washed away or wrecked.

The chief relief agencies in the picture are the Red Cross and the governmental loan agencies. Local banks apparently are in position to furnish ample credit for those who still have good assets; but, of course, the most desperate need is among those who have little or no resources left.

The Red Cross is prepared in a general way to help farm families with clothing, household goods, and other necessities up to such point that a farmer can reasonably hope to get back on his feet with aid from the governmental lending agencies. It then becomes a case of Resettlement Administration, Farm Credit Administration, and the newly formed Disaster Loan Corporation, supplying the means wherewith to reestablish the farm enterprise sufficiently to go ahead with this year's crops.

A. B. GENUNG.



## INCOME PARITY FOR AGRICULTURE

The Soil Conservation and Domestic Allotment Act provides for the "reestablishment, at as rapid a rate as the Secretary of Agriculture determines to be practicable and in the general public interest, of the ratio between the purchasing power of the net income per person on farms and that of the income per person not on farms that prevailed during the 5-year period August 1909-July 1914, inclusive, as determined from statistics available in the United States Department of Agriculture, and the maintenance of such ratio."

The Bureau of Agricultural Economics, with the assistance of the Agricultural Adjustment Administration, is now engaged in collecting and preparing statistics for the Secretary of Agriculture, to provide measures of the net income per person on farms and that of the income per person not on farms.

It is obvious to anyone, of course, that the real significance of prices of farm products depends upon the quantity of products the farmer has to sell and the quantity of goods and services that he can buy with what he receives for the sale of his products. The use of parity prices as a guide in determining Agricultural Adjustment Administration policies is satisfactory only to the extent that the changes in the prices of farm products and the relation of the prices of these products to the prices that the farmer has to pay for what he buys really indicate changes in income and the purchasing power of that income. Our present efforts toward estimating income and purchasing power are directed toward improving the statistical measures of the real purchasing power of farmers.

We are now trying to obtain some statistical information as to the income farm families receive from sources other than agricultural production. It is obvious that the well-being of persons living on farms depends not alone upon their farm production but also upon what members of the family receive as wages or salaries for working for others and also upon the income some farmers receive from stocks, bonds, and other sources. The real measure of the extent to which the farm family can have a satisfactory standard of living and get ahead in the world is the total income received by that family. On the other hand, it is recognized that the significance of the dollar income received depends upon what the family must pay out for a living. Consequently, we are collecting all available information as to the cost of living on farms and changes in the prices of the goods and services that farm families use or must have on the farm. This is, of course, a difficult job that requires considerable time and the cooperation of many State and Federal agencies with the Bureau of Agricultural Economics. It is expected that by the end of this year statistics will be available to provide measures of the real income of farmers that are better than any we have had in the past.

O. C. STINE.

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OBJECTIVES OF GOVERNMENT BUTTER GRADING

Viewed broadly from an objective standpoint Government butter grading, when employed near the point of manufacture and where the butter is first assembled from creameries and is converted into consumer packages, holds possibilities for benefit to at least four important groups: (1) Producers of milk and cream used in butter

manufacture; (2) manufacturers of butter; (3) butter distributing agencies; and (4) consumers of butter.

Government butter grading at the initial point of assembling makes it possible for each of these segments to obtain the benefits that result from standardization of quality through the application of uniform standards and grades.

That standardization of quality benefits each of these segments is readily obvious. The value of milk and cream for butter making is dependent in large measure upon the quality of butter that can be made from it. The value of the butter in turn is dependent upon its quality and the market quotations established for its quality. Government grading reveals to the butter manufacturer the quality of the butter produced. And by the grading of each churning he is advised of the defects, if any, in the butter and he can often employ measures to correct them. As the butter manufacturer effects improvement in the methods and sanitary conditions of manufacture and in the grading and handling of the cream, and also gives encouragement and assistance to producers in improving the quality of their milk and cream, butter of higher market value is produced, and the producers become entitled to the benefits that result.

The value of standardization and unification of quality from the standpoint of butter merchandising and advertising has long been recognized and accepted. It provides a solid foundation on which may be built a permanent and stable business, for uniform quality in a manufactured product is essential to a business that relies upon repeat orders from permanent customers. Such a stable volume of business results in more efficient distribution and a minimum sales cost.

The consumers of butter are benefited by Government butter grading and Government grade information because these services permit them to know the quality of different brands, and to compare prices on the basis of actual quality. Consumers also are able, when butter is Government graded and labeled, to buy more intelligently and with greater confidence in the product purchased and the firm from whom they buy.

The objectives of Government butter grading, therefore, are of real and definite value to at least these four important groups. The firms that make use of Government butter grading and which capitalize its full value not only are benefiting themselves but are rendering a service to the entire dairy industry. Their progressive action creates a competitive urge that has an influence and an ultimate effect upon other firms, which, in order to meet the new competition, must do likewise. The objectives of Government butter grading are not limited solely to those firms which use the service, but have a beneficial influence on the entire industry through general quality improvement and a unification and standardization of quality of butter in all competitive channels of trade where Government graded butter is distributed.

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ROY C. POTTS.

#### POPULATION CHANGES IN SOUTHERN STATES

Population has been called both the hope and the despair of the South, constituting its greatest asset and being the cause of its greatest problems. Outside of the great metropolitan areas, the South is more



heavily populated than any other section of the Nation. It complains of its losses in population to other sections of the Nation on the one hand, and on the other hand recognizes that it is being continually threatened by the pressure of excess population on its natural resources.

In 1930 there were 33,771,653 persons in the 13 Southern States of Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Arkansas, Tennessee, Kentucky, Oklahoma, and Texas. This was a little more than one-fourth of the Nation's population. As a group, these people and this area comprise the "most rural" section of the Nation. About 68 percent of the southern population is rural as compared with only 44 percent of the national population as a whole. In Arkansas and Mississippi, approximately four-fifths of the population is rural.

If the rural population is divided into rural farm and rural nonfarm (persons living in towns and villages of less than 2,500 inhabitants), it is found that 46 percent of the people in the South live on farms. In the country as a whole, only 25 percent live on farms.

The South, however, is becoming less rural than it formerly was. The urban population which constituted only 15 percent of the total southern population in 1900, included 20 percent in 1910, 25 percent in 1920, and 32 percent in 1930. This is an increase in urbanization of 19 percent in 30 years. The national increase for this same period was only 16 percent. In 1900 three-fifths of all the gainfully employed persons over 10 years of age in the Southern States were in agriculture. In 1930 two-fifths were engaged in agriculture.

The one-fourth of the Nation's population which lives in the South annually contributes one-third of the children born in the Nation. Further, this area contributes nearly one-half of the excess of births over deaths, that is, the natural increase, in population of the Nation.

The South has more than its share of young persons, slightly less than its share of old persons, and considerably less than its share of persons in the middle-age groups. In the Nation as a whole, slightly less than 3 out of each 10 persons are under 20 years of age. And in the South, more than 4 out of each 10 persons are in this younger age group.

The basic explanation of the age distribution of southern population can be found in two facts: first, the excessive migration from Southern States of young adults; and second, the dominance of rural population in the South, which there, as elsewhere, has more than its share of young people and less than its share of the middle-age group.

Where do the people who leave the South go? There are three major streams: One flowing into the Northeast, chiefly into New York, Pennsylvania, and New Jersey; another flowing into the Middle West, chiefly into Ohio, Illinois, Missouri, and Michigan; and a third flowing into the West and Northwest, chiefly to Colorado, Arizona, and California. As would be expected, the stream to the Northeast is mostly from Virginia, Florida, North Carolina, and South Carolina. The stream to the Middle West is mostly from Alabama, Mississippi, Tennessee, and Kentucky. And the stream into the West and Northwest is mostly from Louisiana, Arkansas, Texas, and Oklahoma.

Twelve northern and middle western cities have received almost one-third of these migrants from Southern States. Large numbers have gone to Chicago, New York, Detroit, and Philadelphia. Naturally the stream of migration to the Northeastern States has ended in



urban centers more often than in the case of the Middle West or western migration.

The following tabulation shows the proportions of southern migrants going into cities, small towns, and farm areas for different geographical sections:

	Cities	Small towns (below 2,500)	Farms
	<i>Percent</i>	<i>Percent</i>	<i>Percent</i>
Northeast.....	88	10	2
Middle West.....	80	10	10
West and Northwest.....	60	24.5	15.5

In Colorado almost 30 percent of the southern migrants have gone into farming.

The South's tremendous contribution of population to other sections of the Nation make institutional and cultural problems of the South of national significance. Schools of the South educate more than their share of the Nation's youth. The physical and mental vitality or lack of vitality, as the case may be, of southern culture goes steadily into every rural and almost every urban center of the Nation. The standard of living of the southern working population, whether factory, mill, or farm, competes with the standard of living of working people everywhere in the Nation.

CARL C. TAYLOR.

## RURAL LITERATURE: 1936

### II. ESSAYS AND SKETCHES

With the recent depression sending thousands back to the farms and turning the thoughts of thousands of others toward the country, there has been an increase in the number of rural essays and sketches, frequently in book length.

Of those published in 1936, several tell of a retreat to the country. In *Under Green Apple Boughs*, Lucile Grebenc tells how she fled from New York City which had ceased to buy her writings, with \$60 in her pocketbook and fear at her heels, to an old farm she had previously bought in Connecticut. Publications and correspondence from Storrs taught her the vegetables and varieties that would thrive in her locality, and newer methods of canning. Fruit was already there. In spite of the disbelief of friends in town and country, she not only supported herself but developed a store of knowledge and a philosophy that she believed would banish fear forever.

Another retreat story has not necessity behind it so much as inclination for country living. The consulting engineer, Dwight Farnham, and his novelist wife Mateel Howe Farnham, each the author of several books, also developed *A Place in the Country* from an old farm in Connecticut.

Judy Van der Veer occupied a convalescence by writing about her friends among the animals on her cattle ranch in southern California in *The River Pasture*. Its pen-and-ink drawings are by Dorothy Waugh, members of whose family are well known in agricultural circles.

In Mountain Cattle, Mary Kidder Rak continues the spirited and entertaining story of ranch life today which she began in her earlier book called *A Cowman's Wife*.

David Grayson (in real life Ray Stannard Baker) has come to light again with one of his books of country satisfactions as found on his small farm. This book is called *The Countryman's Year*.

Turning backward, the sketches in *The Country Kitchen*, by Della T. Lutes, take the reader through a farmer's year in a little Michigan community in the 1870's.

Carl Carmer's *Listen for a Lonesome Drum* retells legends and old anecdotes of upper New York State that illustrate the pioneer people and their life.

The Blue Hills of eastern Pennsylvania and the earlier life in them are described by Cornelius Weygandt who is as interested in houses and furniture as he is in fords and ferries, farms and flowers.

Antebellum days in a rich section of the Old South are vividly portrayed in *A Carolina Rice Plantation of the Fifties*, written by Herbert Ravenel Sass, with chapters from the boyhood diary of D. E. Huger Smith, and illustrated by 30 watercolor paintings by the gifted Charleston artist Alice Ravenel Huger Smith, reproduced in color. It is an expensive collector's item but it is worth considerable effort to see it at a book store or library.

After the death of William Brewster, the ornithologist, scientists and friends worked some of his notes into a volume called *October Farm* with an introduction by his friend the famous sculptor, Daniel Chester French. The author's observations on the life and nature about him in Massachusetts are set down with clarity and simplicity.

Occupying that same borderland between country appreciation and science is the well-written book by Donald Culross Peattie called *Green Laurels*. It is a chronicle of the great naturalists down through the ages, showing their discovery of nature and the living world.

The life story of a scientist is told by Constance Rourke in her biography of Audubon, with its 12 reproductions in color of bird pictures by Audubon. It is a glowing story of one of America's great personalities written by one who knows the American frontier and its folklore on her own account. From his beginnings, which are still mysterious, Audubon was a strange and romantic figure, penetrating the wilds in the pursuit of his work, from the Hudson Bay to the Gulf of Mexico. He made himself as familiar with the fjords of Labrador, the keys of Florida, and the bayous of Louisiana, as with the great well-known rivers and country spaces of the eastern half of our Nation.

CAROLINE B. SHERMAN.

## DOMESTIC DEMAND IMPROVES IN FEBRUARY

Despite floods and labor disputes the principal measures of domestic demand resumed their advances in February, after having undergone relapses in the preceding month. National income, exclusive of agricultural income, rose in February, along with an increase in industrial production. The volume of building and construction gained about 5 percent. Residential building, which had receded 15 percent between September and November of last year, was again back to the September 1936 recovery peak in February.

Per capita nonfarm income was 12 percent greater in February than in February of last year. This increase in per capita income resulted in substantial gains in purchasing power in terms of both food and other items of the urban worker's living budget. Nonfarm national income advanced more in February than did urban living costs.

## Measures of Domestic Demand

[1924-29=100]

	February				Percent change		
	1929	1933	1936	1937	1936-37	1933-37	1929-37
National income (excluding farm income):							
Total.....	106.2	61.4	78.5	88.8	+13	+45	-16
Per capita.....	101.8	57.2	72.1	81.0	+12	+42	-20
Factory pay rolls:							
Total.....	106.4	39.9	71.7	93.1	+30	+133	-12
Per employed wage earner.....	102.6	62.1	81.9	93.4	+14	+50	-9
Industrial production:							
Total.....	110.1	58.8	87.7	108.2	+23	+84	-2
Factories processing farm products.....	106.0	83.2	98.2	112.8	+15	+28	+6
Other factory production.....	112.4	43.5	80.5	105.6	+31	+143	-6
Construction activity:							
Contracts awarded, total.....	97.5	15.7	43.0	54.5	+27	+247	-44
Contracts awarded, residential.....	84.2	7.2	22.4	42.1	+83	+485	-60
Employment in production of building materials.....	95.9	34.8	49.9	64.2	+29	+84	-33
Cost of living:							
Food.....	98.4	57.8	77.7	81.4	+5	+41	-17
"All other items".....	98.8	80.7	81.6	83.5	+2	+3	-15
Purchasing power of national income (excluding farm income) per capita:							
For food.....	103.5	99.0	92.8	99.5	+7	+1	-4
For "All other items".....	103.0	70.9	88.4	97.0	+10	+37	-6

NOTE.—All indexes adjusted for seasonal variation except "Cost of living."

Retail food sales, according to estimates based on Department of Commerce studies, have fluctuated between 21 and 22 percent of national nonfarm income each year from 1929 to date. Thus, any further gain in consumer income may be expected to result in a similar increase in aggregate retail value of food sales and to act as a stabilizing influence on farm-product prices when new supplies become available.

If growing conditions are more nearly normal than in 1936, considerably larger crop production may be anticipated in 1937. This will mean cheaper food for the consumer but not necessarily less income for the farmer, provided nonfarm income continues to be well above that of last year.

P. H. BOLLINGER.



## GENERAL TREND OF PRICES AND WAGES

[1910-14=100]

Year and month	Wholesale prices of all commodities <sup>1</sup>	Industrial wages <sup>2</sup>	Prices paid by farmers for commodities used in <sup>3</sup> —			Farm wages	Taxes <sup>4</sup>
			Living	Production	Living-production		
1920.....	225	222	222	174	201	239	209
1921.....	142	203	161	141	152	150	223
1922.....	141	197	156	139	149	146	224
1923.....	147	214	160	141	152	166	228
1924.....	143	218	159	143	152	166	228
1925.....	151	223	164	147	157	168	232
1926.....	146	229	162	146	155	171	232
1927.....	139	231	159	145	153	170	238
1928.....	141	232	160	148	155	169	239
1929.....	139	236	158	147	153	170	241
1930.....	126	226	148	140	145	152	238
1931.....	107	207	126	122	124	116	217
1932.....	95	178	108	107	107	86	188
1933.....	96	171	109	108	109	80	161
1934.....	109	182	122	125	123	90	153
1935.....	117	191	124	126	125	98	<sup>5</sup> 154
1936.....	118	199	122	126	124	107	-----
1936							
March.....	116	198	122	119	121	-----	-----
April.....	116	195	-----	-----	121	101	-----
May.....	115	195	-----	-----	121	-----	-----
June.....	116	196	121	120	120	-----	-----
July.....	118	198	-----	-----	123	108	-----
August.....	119	202	-----	-----	126	-----	-----
September.....	119	198	123	132	127	-----	-----
October.....	119	202	-----	-----	127	110	-----
November.....	120	201	-----	-----	127	-----	-----
December.....	123	211	124	133	128	-----	-----
1937							
January.....	125	209	-----	-----	<sup>5</sup> 128	103	-----
February.....	126	211	-----	-----	<sup>5</sup> 129	-----	-----

Year and month	Index numbers of farm prices [August 1909-July 1914=100]							Ratio of prices received to prices paid
	Grains	Cotton and cottonseed	Fruits	Truck crops	Meat animals	Dairy products	Chickens and eggs	
1920.....	232	248	191	-----	174	198	223	105
1921.....	112	101	157	-----	109	156	162	82
1922.....	106	156	174	-----	114	143	141	89
1923.....	113	216	137	-----	107	159	146	93
1924.....	129	212	125	150	110	149	149	94
1925.....	157	177	172	153	140	153	163	99
1926.....	131	122	138	143	147	152	159	94
1927.....	128	128	144	121	140	155	144	91
1928.....	130	152	176	159	151	158	153	96
1929.....	120	144	141	149	156	157	162	95
1930.....	100	102	162	140	133	137	129	87
1931.....	63	63	93	117	92	108	100	70
1932.....	44	47	82	102	63	83	82	61
1933.....	62	64	74	105	60	82	75	64
1934.....	93	99	100	104	68	95	89	73
1935.....	103	101	91	127	118	108	117	86
1936.....	108	100	100	113	121	119	115	92
1936								
April.....	89	96	89	107	125	114	97	87
May.....	88	96	103	105	118	106	101	85
June.....	87	96	115	99	120	106	103	89
July.....	109	105	117	115	119	116	106	93
August.....	129	103	108	134	123	125	112	98
September.....	130	106	105	153	123	128	119	98
October.....	128	104	104	131	120	125	127	95
November.....	127	103	97	104	118	126	141	94
December.....	134	105	93	99	122	127	133	98
1937								
January.....	143	107	105	115	128	128	110	<sup>5</sup> 102
February.....	146	108	127	143	126	126	101	<sup>5</sup> 98
March.....	145	116	133	131	129	125	102	<sup>5</sup> 98

<sup>1</sup> Bureau of Labor Statistics Index with 1926=100, divided by its 1910-14 average of 68.5.<sup>2</sup> Average weekly earnings, New York State factories. June 1914=100.<sup>3</sup> These indexes are based on retail prices paid by farmers for commodities used in living and production reported quarterly for March, June, September, and December. The indexes for other months are straight interpolations between the successive quarterly indexes.<sup>4</sup> Index of farm real estate taxes, per acre, 1913=100.<sup>5</sup> Preliminary.

## THE TREND OF FARM EXPORTS AND IMPORTS

## Exports

Year and month (ended Dec. 31)	Wheat, including flour <sup>1</sup>	Tobacco (leaf)	Bacon, <sup>2</sup> hams, and shoulders	Lard <sup>3</sup>	Apples (fresh)	Cotton running bales <sup>4</sup>
	<i>1,000 bushels</i>	<i>1,000 pounds</i>	<i>1,000 pounds</i>	<i>1,000 pounds</i>	<i>1,000 bushels</i>	<i>1,000 bales</i>
<b>Total:</b>						
1929.....	154,348	555,347	275,118	829,328	16,856	7,418
1930.....	149,154	560,958	216,953	642,486	15,850	6,474
1931.....	125,686	503,531	123,246	568,708	17,785	6,549
1932.....	82,118	387,766	84,175	546,202	16,919	8,916
1933.....	26,611	420,418	100,169	579,132	11,029	8,533
1934.....	36,538	418,983	83,725	431,237	10,070	5,753
1935.....	15,731	381,182	61,691	96,355	11,706	5,861
<b>1936 (Prel.):</b>						
January.....	1,202	40,298	3,395	10,117	1,218	543
February.....	1,192	34,594	2,369	7,514	1,206	406
March.....	1,424	29,832	3,017	11,461	1,082	405
April.....	1,423	23,784	3,396	9,489	750	353
May.....	1,534	17,106	5,367	10,837	291	352
June.....	1,382	19,653	5,955	11,090	130	297
July.....	1,389	19,984	7,194	7,481	179	156
August.....	1,666	26,441	4,159	6,045	178	182
September.....	2,415	46,336	2,526	7,857	482	569
October.....	2,436	63,052	2,234	10,454	1,420	862
November.....	1,285	46,732	4,311	9,563	1,078	690
December.....	1,731	38,998	2,611	9,384	853	594
<b>Total.....</b>	<b>19,079</b>	<b>406,810</b>	<b>46,534</b>	<b>111,292</b>	<b>8,897</b>	<b>5,409</b>
<b>1937 (Prel.):</b>						
January.....	1,576	31,982	2,018	8,804	912	538
February.....	1,522	22,695	2,749	4,456	715	486

<sup>1</sup> Wheat flour is converted on a basis of 4.7 bushels of grain equal to 1 barrel of flour.<sup>2</sup> Includes Cumberland and Wiltshire sides.<sup>3</sup> Excludes neutral lard.<sup>4</sup> Excludes linters.Imports <sup>1</sup>

Year and month (ended Dec. 31)	Cattle, live <sup>2</sup>	Beef, canned, including corned <sup>3 4</sup>	Butter	Wheat, grain <sup>5</sup>	Corn, grain	Oats, grain	Barley, malt <sup>6</sup>
	<i>1,000 head</i>	<i>1,000 pounds</i>	<i>1,000 pounds</i>	<i>1,000 bushels</i>	<i>1,000 bushels</i>	<i>1,000 bushels</i>	<i>1,000 pounds</i>
<b>Total:</b>							
1929.....	505	79,899	2,773	36	407	112	1,025
1930.....	234	56,105	2,472	317	1,556	183	4,309
1931.....	95	19,586	1,832	54	618	576	39,875
1932.....	106	24,639	1,014	3	344	59	52,533
1933.....	82	41,344	1,022	31	160	132	109,183
1934.....	66	46,674	1,253	7,737	2,959	5,580	193,728
1935.....	378	76,263	22,675	27,439	43,242	10,107	320,623
<b>1936 (Prel.):</b>							
January.....	22	7,642	860	2,231	1,869	0	15,190
February.....	28	7,218	2,191	2,398	583	6	15,554
March.....	52	7,978	577	2,673	1,186	5	18,153
April.....	79	11,897	661	1,536	1,052	11	21,642
May.....	57	8,654	224	1,627	938	22	27,300
June.....	47	7,034	168	3,028	34	2	24,256
July.....	34	7,503	308	4,477	1,301	1	31,811
August.....	19	8,938	1,182	6,294	1,549	( <sup>9</sup> )	29,018
September.....	23	6,439	539	4,604	4,144	13	24,922
October.....	21	8,994	648	4,216	8,122	22	26,200
November.....	15	3,703	1,361	3,200	6,263	47	28,715
December.....	13	1,764	1,155	3,385	4,430	20	39,006
<b>Total.....</b>	<b>410</b>	<b>87,764</b>	<b>9,874</b>	<b>39,669</b>	<b>31,471</b>	<b>149</b>	<b>301,767</b>
<b>1937 (Prel.):</b>							
January.....	51	1,174	2,390	1,866	5,410	9	34,676
February.....	44	3,511	2,915	1,666	8,653	7	30,136

<sup>1</sup> General imports prior to 1934; beginning Jan. 1, 1934, imports for consumption.<sup>2</sup> Official monthly figures exclude cattle imported free from the Virgin Islands, 1926-28.<sup>3</sup> Imports for consumption.<sup>4</sup> December figures include "Other canned meats" prior to 1929.<sup>5</sup> For domestic consumption and includes only wheat full duty paid and 10 percent ad valorem.<sup>6</sup> Less than 500.

Statistics on exports and imports for the years 1920-28 are contained in the February 1937 issue of the Agricultural Situation.

Compiled from Foreign Commerce and Navigation of the United States and official records of Bureau of Foreign and Domestic Commerce.

CASH INCOME FROM THE SALE OF FARM PRODUCTS AND  
GOVERNMENT PAYMENTS TO FARMERS

[Million dollars]

	Grains	Cotton and cot- ton- seed	Fruits and vege- tables	All crops	Meat ani- mals	Dairy prod- ucts	Poultry and eggs	All live- stock and prod- ucts	Total crops and live- stock	Government pay- ments	Total income
1936											
Jan.....	41	53	54	201	191	112	41	349	550	1	551
Feb.....	31	32	68	161	145	103	36	288	449	-----	449
Mar.....	46	23	80	179	154	115	52	326	505	15	520
Apr.....	37	14	85	159	159	113	56	334	493	37	530
May.....	42	19	104	191	148	126	64	350	541	59	600
June.....	55	16	108	206	165	130	59	381	587	57	644
July.....	163	12	108	327	171	130	49	383	710	24	734
Aug.....	117	27	78	284	168	125	46	351	635	11	646
Sept.....	71	159	86	406	174	120	43	346	752	6	758
Oct.....	70	220	103	510	198	121	44	372	882	22	904
Nov.....	67	146	80	367	201	109	62	382	749	19	768
Dec.....	68	99	68	321	222	113	65	404	725	36	761
1937											
Jan.....	59	52	78	279	193	115	46	359	638	43	681
Feb.....	47	39	86	211	153	103	34	293	504	53	537

## AGRICULTURAL STATISTICS, 1936

A 420-page printed volume containing the statistical tabulations formerly published in the "Yearbook of Agriculture" is now available for distribution. It covers practically all of the important farm products of the United States, supplying long-time series of statistics for the country as a whole and short-time series by States. These statistics relate to acreage, production, farm price, farm value, and foreign trade of the principal commodities. It may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., at 50 cents a copy.